

MILUX CORPORATION BERHAD
Registration No. 199401027937 (313619-W)
(Incorporated in Malaysia)

Minutes of the 28th Annual General Meeting of Milux Corporation Berhad (“Milux” or “Company”) held at the Broadcast Venue at Tricor Business Centre, Gemilang Room, Unit 29-02, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Friday, 23 June 2023 at 2.30 p.m.

Present at the Broadcast Venue

Directors : Datuk Dr. Wong Lai Sum (Chairman, Independent Non-Executive Director)
Datuk Khoo Teck Kee (Group Managing Director)
Mr. Tan Chee How (Executive Director)
Mr. Ho Pui Hold (Independent Non-Executive Director)

Members of Management : Mr. Wong Wai Keong (Chief Financial Officer)

Company Secretary : Ms. Lim Fei Chia

Attendance via video-conferencing

Director : Datuk Wira Ling Kah Chok (Executive Vice Chairman)
Datuk Haw Chin Teck (Independent Non-Executive Director)
Dato’ Sri Ir. Ts. Dr. Liew Mun Hon (Independent Non-Executive Director)
Mr. Gan Boon Lay (Non-Independent Non-Executive Director)
Ms. Yee Carine (Non-Independent Non-Executive Director)
Ms. Teh Sok Hoon (Non-Independent Non-Executive Director)

Auditors : Mr. Chen Voon Hann (Audit Partner, CAS Malaysia PLT)
Ms. Yong Hoi Ying (Audit Manager, CAS Malaysia PLT)

Members/Proxies : As per the Attendance List

1. **CHAIRMAN AND QUORUM**

Datuk Dr. Wong Lai Sum, the Independent Non-Executive Chairman of the Board, presided as the Chairman of the 28th Annual General Meeting (“AGM” or “Meeting”) of the Company.

The Chairman welcomed all shareholders present at the Meeting, which was conducted on a virtual basis through live streaming from the Broadcast Venue, to consider the business as set out in the Notice of the AGM issued on 28 April 2023.

The Chairman introduced to the shareholders her fellow Directors, Chief Financial Officer and Company Secretary who were present at the Broadcast Venue and informed that the other Board members and the representative of the External Auditors were attending the Meeting remotely.

Upon confirming the presence of the requisite quorum with the Company Secretary, the Chairman called the Meeting to order.

2. **NOTICE OF MEETING**

The Chairman informed that the Notice convening the AGM had been sent to all the shareholders of the Company on 28 April 2023 and with the permission of the Meeting, the Notice convening the AGM was taken as read.

3. **VOTING PROCEDURES**

The Chairman informed that the voting for the resolutions tabled at the AGM would be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). E-polling will be conducted for all the resolutions tabled at the Meeting using Remote Participation and Voting (“RPV”) facilities provided by the Poll Administrator via the TIIH online website.

The Company has appointed Tricor Investor & Issuing House Services Sdn. Bhd. as Poll Administrator to conduct the polling process and Quantegic Services Sdn. Bhd. as Scrutineers to verify the poll results.

The Chairman then declared the opening of voting for the resolutions at 2.30 p.m. and shareholders or proxies could exercise their voting rights anytime until the announcement by the Chairman of the close of the voting session, which would be after the Question and Answer session.

The Chairman informed that questions relating to the resolutions tabled at the Meeting can be submitted via the ‘Query Box’ and the Company would try to answer the relevant questions at the Q&A session later after all the motions tabled at the Meeting have been considered.

A short video clip on the e-polling process was then presented by the Poll Administrator.

4. **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements of the Company for the financial year ended 31 December 2022 ("AFS") and the Reports of the Directors and Auditors thereon, which had been circulated to all the shareholders of the Company within the statutory period.

The Auditors' Report contained in the AFS was then taken as read.

The Chairman further informed the Meeting that in accordance with the provisions of the Companies Act 2016, which does not require the financial statements and reports to be formally approved by the shareholders, the AFS together with the Reports of Directors and Auditors were tabled for shareholders' information and would not be put forward for voting.

The Chairman then declared that the AFS and the Reports of Directors and Auditors as being received.

5. **ORDINARY RESOLUTION 1 - PAYMENT OF DIRECTORS' FEES**

The Chairman proceeded to the second item on the Agenda and shareholders' approval was sought for the following Ordinary Resolution 1:-

"THAT the payment of Directors' fees amounting to RM292,950.00 for the period from 1 July 2023 to 30 June 2024, be hereby approved."

6. **ORDINARY RESOLUTION 2 - PAYMENT OF DIRECTORS' BENEFITS**

The Chairman then proceeded to the next item on the Agenda and shareholders' approval was sought for the following Ordinary Resolution 2:-

"THAT the payment of Directors' benefits up to an amount of RM90,000.00 from 1 July 2023 to 30 June 2024, be hereby approved."

7. **ORDINARY RESOLUTIONS 3, 4 AND 5 - RE-ELECTION OF DIRECTORS RETIRING IN ACCORDANCE WITH CLAUSE 117 OF THE COMPANY'S CONSTITUTION**

The Chairman moved on to the next three (3) items on the Agenda on the re-election of Directors and shareholders' approval was sought for the following Resolutions:-

Ordinary Resolution 3:

"THAT Mr. Gan Boon Lay, who is retiring pursuant to Clause 117 of the Company's Constitution and being eligible, be hereby re-elected to office."

Ordinary Resolution 4:

“THAT Ms. Yee Carine, who is retiring pursuant to Clause 117 of the Company’s Constitution and being eligible, be hereby re-elected to office.”

Ordinary Resolution 5:

“THAT Ms. Teh Sok Hoon, who is retiring pursuant to Clause 117 of the Company’s Constitution and being eligible, be hereby re-elected to office.”

8. **ORDINARY RESOLUTION 6 - RE-APPOINTMENT OF AUDITORS**

Moving on the Chairman proceeded to item 5 on the Agenda in relation to the re-appointment of Messrs CAS Malaysia PLT, who has given their consent for re-appointment as the Company’s Auditors for the financial year ending 31 December 2023.

Shareholders’ approval was sought for the following Ordinary Resolution 6:

“THAT Messrs CAS Malaysia PLT be re-appointed the Auditors of the Company AND THAT the Directors be authorised to fix their remuneration.”

9. **ORDINARY RESOLUTION 7 - AUTHORITY FOR THE DIRECTORS TO ISSUE SHARES**

The Chairman then moved on to the next item on the Agenda and shareholders’ approval was sought for the following Ordinary Resolution 7 to give authority to the Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016:-

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“Act”), and subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental and/or regulatory authorities (if applicable), the Directors be and are hereby empowered to issue and allot new shares in the Company at any time, to such person or persons at such price, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of issue.

THAT pursuant to Section 85 of the Act to be read together with Clause 14 of the Constitution of the Company, approval be and is hereby given to waive the statutory preemptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.”

10. **ORDINARY RESOLUTION 8 - PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Chairman informed the Meeting that as the following Resolution 8 involves her interest, the chair was passed to Mr. Ho Pui Hold, the Chairman of Audit and Risk Committee.

Mr. Ho informed that the last item on the agenda was to seek the shareholders' approval for the renewal of the existing mandate for the Company and its subsidiaries to enter into recurrent related party transactions ("RRPTs") of a revenue or trading nature which are necessary for the Group's day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company ("Proposed Renewal of RRPT Mandate").

The relevant information of the Proposed Renewal of RRPT Mandate was set out in the Company's Circular to Shareholders dated 28 April 2023.

The Interested Directors and/or Major Shareholders are:

1. Topspike Holding Sdn Bhd;
2. Datuk Wira Ling Kah Chok;
3. Gan Boon Lay;
4. Datuk Dr. Wong Lai Sum; and
5. Datuk Khoo Teck Kee,

they and persons connected to them shall abstain from voting, in respect of their direct and/or indirect shareholdings in the Company, if any, on this resolution.

Shareholders' approval was sought for the following Ordinary Resolution 8:

"THAT subject always to the provisions of the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature, details as set out in Section 2.6 of the Circular to Shareholders dated 28 April 2023 with the specified classes of related parties mentioned therein which are necessary for the Group's day-to-day operations and are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT the approval shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or

- (ii) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by a resolution passed by the shareholders in a general meeting;
- whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Renewal of RRPT Mandate.”

The Chairman thanked Mr. Ho and was handed back the chair.

11. QUESTION AND ANSWER SESSION

As there was no notice received for transaction of any other business, the Meeting proceeded to the Question and Answer session.

The Chairman invited Mr. Wong Wai Keong, the Chief Financial Officer to address the questions received before and during the Meeting: -

Question 1:

What is the reason for the drop in gross profit margin for 2022?

Answer:

The dip in gross profit margin for 2022 was caused by higher product costs and limited avenue to increase the selling prices of the Company’s products. The suppliers started to increase their selling prices when commodity prices started to escalate globally due to the Russian-Ukraine war, and this was further compounded by the almost record high ocean freight costs and the continued depreciation of the Ringgit Malaysia against the United States Dollar which started in the 2nd quarter of 2022 before recovering towards the later part of 2022.

Due to soft market demand and stiff competition, the Company was unable to increase the selling price to reflect in full the increase in costs without hurting sales. This has resulted in the gross profit margin being compromised.

Question 2:

Revenue for year 2022 has dropped compared to 2021 despite the opening of the economy after the MCO. Can management explain?

Answer:

Revenue contracted by RM2.8 million in 2022 compared to 2021 due to the cessation of the Group’s manufacturing operations. The higher revenue in 2021 was due to the contribution from the Group’s manufacturing operations of RM4.9 million in the first

quarter of 2021. With the complete cessation of the manufacturing operations, no contribution was recorded in 2022.

Question 3:

Can management explain the source of other operating income as there is a sharp increase compared to the previous year?

Answer:

There were two (2) major transactions which contributed to the bulk of *other operating income*:

- (i) The gain realised on disposal of land and building owned by a subsidiary of the Group during the year amounted to RM7.69 million; and
- (ii) Dividend income of RM0.12 million received from investment in quoted shares.

Question 4:

What is the management's view on the Group's prospects in view of the current economic situation?

Answer:

The Group's sales are generally dependent on consumer confidence which is influenced by the state of the nation's economy. Due to the present economic slowdown, consumer sentiment is rather subdued amidst the high cost of living which has eroded consumer purchasing power.

Purchases by consumers are more geared towards replacement purchases rather than upgrade purchases as in the past as home appliances are discretionary items in the eyes of consumers. Having said this, the relatively strong balance sheet of the Company will help overcome the business challenges the Company is facing today.

Question 5:

What is the status of the Group's diversification exercise?

Answer:

The Board is still taking a cautious approach due to the current uncertain and volatile economic environment. Should there be any major development, the Company will make the necessary announcement in compliance with the Listing Requirements of Bursa Securities.

Question 6:

Any door gift for attending the AGM?

Answer:

No door gift would be given for this AGM.

There being no other questions received, the Meeting proceeded to poll voting.

12. POLLING PROCESS

The Chairman informed that poll voting on the resolutions will be conducted and invited the shareholders to cast their votes if they have not done so within the next 5 minutes via the e-voting platform and thereafter declared the close of the e-polling process.

The Chairman adjourned the AGM at 2.55 p.m. for approximately 20 minutes for the verification of poll results.

13. ANNOUNCEMENT OF POLL RESULTS

The Chairman resumed the Meeting at 3.16 p.m. for the announcement of poll results.

The Chairman informed that the Scrutineers have completed their report and based on the poll results displayed on the screen, the Chairman declared that **all Resolutions** tabled at the Meeting were declared **Carried**.

Resolution	Vote For		Vote Against		Total Votes	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 Approval of payment of Directors' fees amounting to RM292,950.00 for the period from 1 July 2023 to 30 June 2024	175,363,251	99.9862	24,123	0.0138	175,387,374	100.0
Ordinary Resolution 2 Approval of payment of Directors' benefits up to an amount of RM90,000.00 from 1 July 2023 to 30 June 2024	175,362,839	99.9860	24,535	0.0140	175,387,374	100.0
Ordinary Resolution 3 Re-election of Gan Boon Lay as Director	175,364,875	99.9872	22,499	0.0128	175,387,374	100.0
Ordinary Resolution 4 Re-election of Yee Carine as Director	175,364,875	99.9872	22,499	0.0128	175,387,374	100.0
Ordinary Resolution 5 Re-election of Teh Sok Hoon as Director	175,364,863	99.9872	22,511	0.0128	175,387,374	100.0
Ordinary Resolution 6	175,367,076	99.9884	20,299	0.0116	175,387,375	100.0

Re-appointment of CAS Malaysia PLT as the Company's Auditors						
Ordinary Resolution 7 Authority for the Directors to issue shares	175,359,663	99.9842	27,711	0.0158	175,387,374	100.0
Ordinary Resolution 8 Proposed Renewal of RRPT Mandate	96,220,923	99.9762	22,911	0.0238	96,243,834	100.0

14. **CLOSURE**

There being no other business, the Chairman declared the AGM closed at 3.17 p.m. and thanked the shareholders for their attendance.

READ AND CONFIRMED BY

APPROVED

CHAIRMAN

Date: 13 July 2023